

**BAYSHORE SANITARY DISTRICT**  
**MINUTES**

Regular Meeting of May 26, 2011

**Opening of Meeting:**

The meeting was called to order by President Gallagher at 7:06 P.M.

**Roll Call:**

Present: Gallagher, Quinteros, Rizzi, Swanbeck, Tonna  
Absent: None  
Staff: Clerk Landi, District Counsel Bakker, Maintenance Director Landi and District Engineer Yeager

**Oral and Written Communications:**

- (1) Communications from members of the public  
None
- (2) Communications from members of the District Board and Staff  
The Clerk advised the Board that we received notification that the City of Brisbane is increasing water rates effective November, 2011. The water meter charge will be increased 7% and usage by 35%.
- (3) Acknowledgment of recent correspondence to the District  
Recent correspondence was included in Agenda meeting packets. The President mentioned the notice from Dooley Insurance regarding an increase to the dental coverage premium. She encouraged the Board to utilize this program. Director Rizzi said that for some services, there is more out-of-pocket since providers are being reimbursed at rates that have not been adjusted for several years.

**Consent Items:** (Any member of the Board or the public can request that an item be removed from the consent agenda. If there are no objections all items are voted upon by one motion.)

- (4) Minutes of the Regular Meeting of April 28, 2011
- (5) Payment authorization for bills and compensation
- (6) Accept 4/30/11 monthly report on District's current financial status
- (7) Accept April, 2011 checking account statement reconciliation

A motion was made by Director Quinteros, seconded by Director Swanbeck and unanimously passed by voice vote to approve the Consent Items which include payment by check numbers 5207-5222.

**Board Reports** – consideration of matters relating to:

(8) President Gallagher

(a) LAFCO: The Commission met last Wednesday and considered municipal service reviews and sphere of influence for the Cities of San Carlos and Belmont. They will likely be finalized at the July meeting. The FY 2011-2012 budget was approved. President Gallagher said that she attended a California Forward regional meeting this month. The topic was the way government in California is going and how more of the financial burden is being shifted to the cities, counties and special districts.

(b) CSDA – Local Chapter: There was a dinner meeting on May 3<sup>rd</sup> which was attended by about 30 special district representatives. There was a speaker from the SFPUC who spoke about the Hetch Hetchy water system. Peninsula Healthcare District made a presentation about their District. The next meeting is in August.

(9) City of Daly City: Director Rizzi said that it appears that Daly City has decided to lift their restriction banning rental/leasing of any of the El Rancho property units. The hope is that once there is sufficient occupancy, it will draw commercial business on the ground level. The Maintenance Director said it appears that some units may already be occupied. Director Quinteros said that it is his understanding that there are 11 units designated for single occupancy, affordable housing. The District was supposed to be notified when units were sold since occupancy would trigger sewer service charges being initiated. We need to follow up with the City of Daly City regarding this matter.

(10) City of Brisbane: The CAG has not met.

**Staff Reports:**

(11) **Maintenance Director** -- consideration of matters relating to:

(a) Monthly report on District operations and maintenance: The monthly report is self explanatory. The Carlyle station is operating properly and there were no service requests during the reporting period. Gotelli Plumbing performed the annual certification of the backflow devices today. This is required by San Mateo County.

In regard to repaving/repair of the driveway, \$15,000 was budgeted. A quote was obtained from Bay Area Paving for approximately \$3,900 + permit fees. In their opinion the entire driveway doesn't need to be excavated. They will do some repairs via excavation and apply two coats of sealer. Bay Area Paving has done extensive work for the City of Daly City. Mr. Landi also got a \$1,300 bid to seal the shared driveway; deferred at this time. The Clerk will provide Counsel with the proposal for his review.

(12) **District Engineer** – consideration of matters relating to:

(a) April meter reading data: The calculated data and the metered data are within 71,000 gallons. Last month there was a significant difference due to multiple pumps running at the same time. The meter is accurate but the calculation isn't because the output of combined pumps is not as accurate as one pump at a time running.

(b) Brisbane Baylands Specific Plan: The Engineer received a telephone call from Howard Pearson notifying us that they were having a problem with their meter. He was advised that we will rely on historical data to calculate an average until the meter is put back into operation. There was some discussion about the letter sent to Jonathan Scharfman; it has been forwarded to the appropriate staff. Mr. Pearson said he would like to attend a Board meeting and it was suggested that he wait until after July. He asked what it would take for the District to abandon the old pump station. Counsel briefly mentioned there is a process for declaring and selling surplus property. He thinks it could be exempt from the normal process due to the size. The Board would have to obtain an appraisal but is under no obligation to sell the property. The Maintenance Director explained that the land was acquired from Southern Pacific and a two story station was construction. It is similar, but slightly smaller, than the current control and pump room facility. When that station was in operation, the District had a combined system which was very common at the time. In the late sixties, the State started to require that systems be separated. He circulated photos of the station which is located near the Tank Farm.

(c) SFPUC agreement: There was no meeting and they have not made a counter proposal. District Counsel drafted an extension contract since the negotiations are moving so slowly. He will send the draft requesting a 6 month extension per the Engineer's suggestion.

(d) 2011-2012 Sewer Service Charge Report: They have all the water data and are starting to merge the information so that a preliminary draft report will be out in time for the budget workshop.

(13) **District Counsel** – consideration of matters relating to:  
No report.

(14) **District Clerk** – consideration of matters relating to:

(a) Genentech tax refund program: The Board was provided with the County Controller's explanation. According to them, per California code, counties that have to return monies can spread the refund among all the cities and districts. District Counsel said that to his knowledge the state audit referred to has been found, in at least once instance, not to be proper. The President did some research and has been told that the refund could damage a few entities vs. it being spread among all the cities and districts. It was noted that the County's response referred to legal statutes, however, they didn't provide the specific statute. While the County may be able to handle refunds this way, it still remains that it is not fair for cities and districts who received none of the tax dollars to have to share the burden of refunds.

**Old Business:**

(15) Strategic planning

The Clerk received a listing of consultants from CASA which was provided to the Board. The District also received an email from BHI Management Consulting offering a free one hour webinar, the availability of a one day seminar and a list of the services they are able to provide. The President will try to make time to participate in the webinar since Director Rizzi is not available. She will also speak to Brent Ives of BHI and ask about the services he can offer relative to strategic planning, i.e. forward planning, succession planning, deannexations, etc. This item is continued to the next meeting.

**New Business:**

(16) Budget workshop

There was agreement that the June 23<sup>rd</sup> meeting be cancelled and replaced with a meeting on June 30<sup>th</sup>. The budget workshop portion of the meeting will begin at 3:30 P.M., followed by a recess for a meal break and then the meeting will be reconvened.

(17) November 8, 2011 election

There are three directorships up for election. Directors Quinteros, Rizzi and Swanbeck indicated that they will seek reelection.

A motion was made by Director Swanbeck that candidate statements be limited to 200 words and be at the expense of the candidate. The motion was seconded by Director Tonna and passed by voice vote.

(18) Reports on other matters: no action will be taken  
None

**Adjournment:**

The meeting was adjourned at 8:08 P.M. The next meeting is June 30, 2011 at 3:30 P.M.

Submitted by Joann Landi